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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

April 25, 1994

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

RE: Ex Parte Presentation - MM Docket No. 92-265

Dear Mr. Caton:

On Friday afternoon, April 22, 1994, Stanley S. Hubbard, Stanley E. Hubbard, II, Robert W. Hubbard, Marvin Rosenberg, and Gerry Sikorski, on behalf of United States Satellite Broadcasting Company, Inc. ("USSB"), made an oral ex parte presentation to the following Commission personnel:

James W. Olson
Amy Zoslov
Paul F. Gallant

The purpose of the presentation was to support USSB's "Opposition to Petition for Reconsideration of the National Rural Telecommunications Cooperative," submitted in MM Docket No. 92-265, filed on July 14, 1993. A written presentation on the DSS™ system, a copy of which is submitted herewith, was also distributed.

USSB also has participated in MM Docket 92-265 by filing Comments and Reply Comments in the proceeding.

An original and one copy of this letter and of the attached written presentation are being filed. If additional copies are required, USSB will supply them immediately upon request.

No. of Copies rec'd
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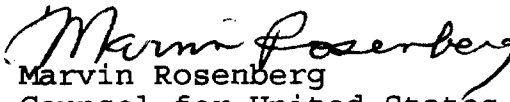
FLETCHER, HEALD & HILDRETH

Mr. William F. Caton
April 25, 1994
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Should any question arise concerning this matter, or should any additional information be necessary or desired, please communicate with this office.

Very truly yours,

FLETCHER, HEALD & HILDRETH


Marvin Rosenberg
Counsel for United States
Satellite Broadcasting
Company, Inc.

Enclosure

DSSTM

(Digital Satellite System)

April 22, 1994

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OFFICE OF SECRETARY**

DSSTM

(Digital Satellite System)

Overview

- DirecTv and USSB share an orbital location, a satellite and its coverage area, and an entire system
- 32 transponders authorized at 101° orbital location
- DirecTv authorized for and will use 27
- USSB authorized for and will use 5
- Compression tested and demonstrated at rates varying between 3:1 and 10:1
- Transmit/Receive/Conditional Access system to be used by DirecTv and USSB at 101° orbital location for DBS broadcasting is called DSSTM (Digital Satellite System)
- Consumer hardware initially manufactured and distributed by Thomson/RCA through RCA dealers and satellite retailers nationwide
- Second manufacturer/distributor will be SONY; ultimately others

DSS™

(Digital Satellite System)

Overview

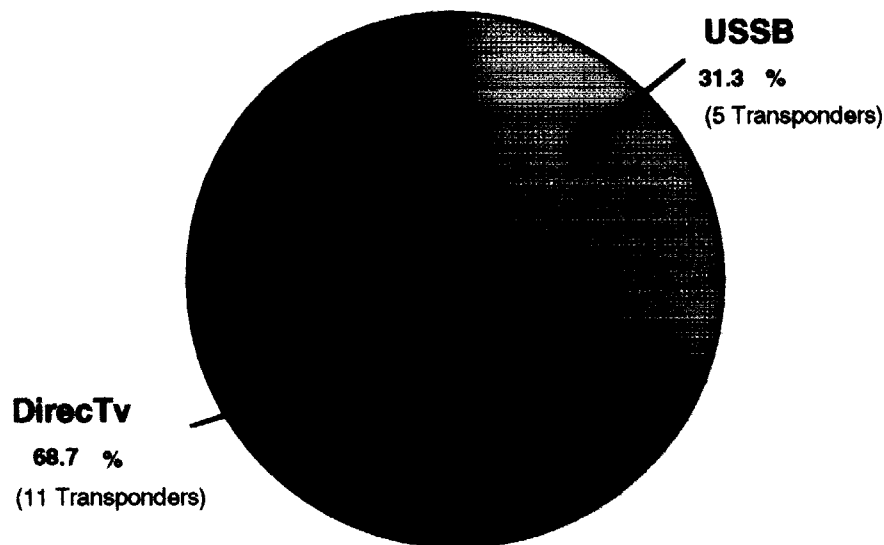
- Shared system maximizes viewer choice and convenience by efficient use of spectrum and avoids Beta/VHS type standards confusion
- Seamlessly shared by DirecTv and USSB—most DSS™ owners are highly likely to subscribe to, and view, program services from *both* USSB and DirecTv
- Availability of services from 2 DBS broadcasters on same dish and receiver assures competition *within* shared DSS™ system
- 150-200 channels expected to be available from DirecTv and USSB through shared DSS™ system
- Complementary and differentiated programming conserves spectrum, maximizes competition to cable and assures competition within DSS™

DSSTM

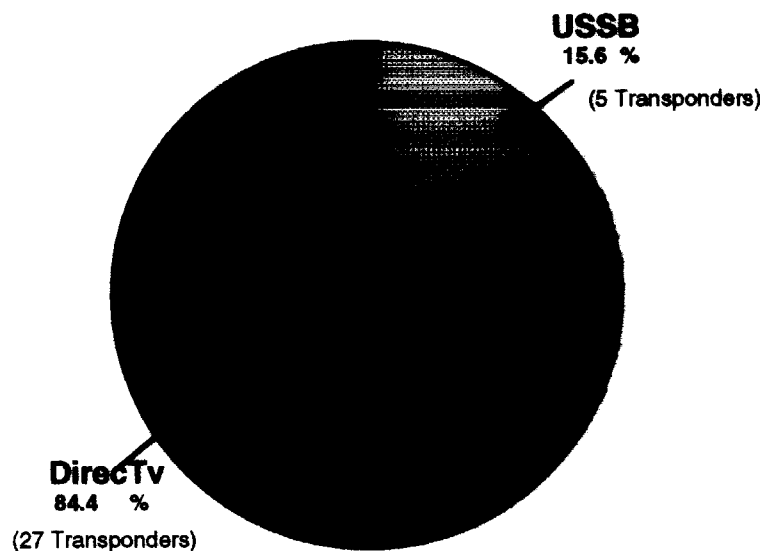
(Digital Satellite System)

Channel Capacity at 101°

**DSSTM Introduction—
First Satellite (DBS-I) Only**
16 Transponders



Two Satellites deployed (DBS-I and DBS-II)
Expected by September 1994
32 Transponders



DSSTM

(Digital Satellite System) Competition within Shared System

- Ability to differentiate services is essential in order to maintain competition within DSSTM
- Differentiation of services promotes diversity and conserves valuable spectrum
 - No reason for duplication of any channel on shared system (DSSTM)
 - Seamless availability of all (DirecTv and USSB) programs/channels to all DSSTM viewers
- DirecTv* and USSB** plan separate, but equally aggressive marketing/sales campaigns

***NRTC purchased exclusive sales/marketing rights to an approximately 6 million home territory, primarily rural, from DirecTv for DirecTv programming only**

**** All USSB programming will be available to all DSSTM homes—including all DSSTM homes in NRTC territories and NRTC customers**

DSSTM

(Digital Satellite System)

USSB Programming

Basic Channels (6)

Lifetime
Nickelodeon/Nick at Nite
MTV
VH-1
Comedy Central
All News Channel

Premium Channels (14)

HBO East/West
HBO 2 East/West
HBO 3
Showtime East/West
Showtime 2
The Movie Channel East/West
Cinemax East/West
Cinemax 2
FLIX

***Includes all channels with which USSB will start. Expected future compression improvements should allow for additional channels/services. Current plans include public service, free advertiser supported services and special interest programming**

DSS™

(Digital Satellite System)

DirecTv Programming

Basic Channels

A&E
Black Entertainment
Television
Cartoon Network
Country Music Television
CNN
CNN International
CNBC
Court TV
C-Span
C-Span 2
Discovery
E!
ESPN
Family Channel
Headline News
The Learning Channel
SCI-FI Channel
Shopping
Travel Channel
The Weather Channel
TBS-Superstation
The Nashville Network
Turner Classic Movies
TNT
USA Network

Premium Channels

The Disney Channel East/West
Encore
Encore 2/Love Stories
Encore 3/Western
Encore 4/Tweens
Encore 5/Mystery
Encore 6/Action
Encore 7/True Stories & Drama
Playboy Channel

Pay-Per-View Movies

*Approximately 40+ Channels
with hit films from:*
Paramount Pictures
Columbia Pictures
Sony Pictures Classics
TriStar Pictures
Turner MGM Film Library
Universal Pictures
Touchstone Pictures
Hollywood Pictures
Walt Disney Pictures
Miramax Films

Pay-Per-View Sports

Up to 40 channels with
events expected from all
major sports leagues

Special Interest

Golf Channel
CBC Newsworld International
Physicians Television Network
Bloomberg Direct Financial
Music Choice (Digital Audio)
TRIO
Movie Preview Channel
Sports Preview Channel
Consumer Information

***List includes all DirecTv programming announced as of April 20, 1994**

DSSTM

(Digital Satellite System)

USSB Offerings

USSB Essentials - \$7.95

Lifetime
Nickelodeon
Nick at Nite
MTV
VH-1
Comedy Central
All News Channel

HBO - \$10.95 (5 Channels)

HBO East/West
HBO 2 East/West
HBO 3

Showtime - \$10.95 (3 Channels)

Showtime East/West
Showtime 2

Showtime Plus - \$24.95

Showtime East/West
Showtime 2
The Movie Channel East/West
FLIX
Lifetime
Nickelodeon
Nick at Nite
MTV
VH-1
Comedy Central
All News Channel

HBO Plus - \$24.95

HBO East/West
HBO 2 East/West
HBO 3
Cinemax East/West
Cinemax 2
FLIX
Lifetime
Nickelodeon
Nick at Nite
MTV
VH-1
Comedy Central
All News Channel

USSB Entertainment PlusTM - \$34.95

HBO East/West
HBO 2 East/West
HBO 3
Showtime East/West
Showtime 2
The Movie Channel East/West
Cinemax East/West
Cinemax 2
FLIX
Lifetime
Nickelodeon
Nick at Nite
MTV
VH-1
Comedy Central
All News Channel

DSS™

(Digital Satellite System)

DirecTv Offerings

Personal Choice - \$21.95

Trio	Bloomberg Direct
Cartoon	TNT
ESPN	C-Span
Movie Preview	Discovery
Sports Preview	HLN
TNN	Shop 1
Consumer Info	TBS
CNN	TBA
Turner Classic Movies	
USA	

AND

Select 10 of 20

A&E	C-Span 2
CMTV	CNBC
CNN Int'l	Court TV
E!	Newsworld Int'l
Family	The Learning Channel
Sci-Fi	The Weather Channel
Travel	...And Others TBA

OR

Encore 7

- (1) Hits
- (2) Love Stories
- (3) Westerns
- (4) Tweens
- (5) Mystery
- (6) Action
- (7) True Stories & Drama

At No Extra Cost:

Disney Channel (E&W)
Music Choice (30 Channels)
1 PPV Coupon (\$2.99)

Total Choice - \$29.95

A&E	C-Span
CNBC	Discovery
HLN	Shop 1
The Learning Chl.	The Weather Chl.
BET	Cartoon
CNN	E!
Movie Preview	Sports Preview
TNN	USA
Consumer Info	Trio
CNN Int'l	ESPN
Newsworld Int'l	TBS
TNT	Bloomberg Direct
C-Span 2	CMTV
Court TV	Family
Sci-Fi	Turner
Travel	

At No Extra Cost:

Disney Channel (E & W)
Music Choice (30 Channels)
ENCORE 7 (\$7.95)
2 PPV Coupons (\$2.99 ea.)

Additional Service

- Access Fee \$4.95/Mo.
- A La Carte Subscription Services

Disney Channel (E&W)	\$9.95/Mo.
Playboy	\$9.95/Mo.
Encore 7	\$7.95/Mo.
Music Choice	\$2.95/Mo.
Net Pack (5)	\$3.95/Mo.
- each	\$1.00/Mo.
Sports Programming	TBD
- PPV/Transaction Services

Movies	\$2.99
Sports	TBD
Playboy	\$5.95/Night
Events	\$12.95 - \$39.95
- Second Set \$1.95/Mo.

*** Includes all announced packages available when DBS-I and II are both deployed (expected by September 1994)**